

Letter to the Speaker of the House of Representatives on Reallocation of Funds Previously Transferred From the Emergency Response Fund *July 31, 2003*

Dear Mr. Speaker:

In order to continue responses necessary as a result of the September 11th terrorist attacks, I am notifying the Congress of my intent to reallocate funds previously transferred from the Emergency Response Fund (ERF).

At this time, \$1.2 million of ERF funds will be transferred to the United States

Trade Representative to support increased security at international trade negotiations.

The details of this action are set forth in the enclosed letter from the Director of the Office of Management and Budget.

Sincerely,

GEORGE W. BUSH

NOTE: An original was not available for verification of the content of this letter.

Remarks Following a Cabinet Meeting and an Exchange With Reporters *August 1, 2003*

The President. We had a good Cabinet meeting, talked about a lot of issues. The Secretary of State and Defense brought us up to date about our desires to spread freedom and peace around the world. And the economics team of Secretary Snow, Evans, and Chao, who have been traveling the country, reported back that there's a positive feeling in America about our economy.

And my attitude is, is that even though some of the numbers are good, there are still too many people looking for work, and so we're going to keep working on the economy until people can find a job.

We took some strong action in the past. We reduced taxes on the working people, and those tax reductions will be reflected in their paychecks soon. Expansion of the child tax credit is helpful to people because checks are now in the mail. Both of those events will enhance demand for goods and services, which will make it more likely somebody will find work.

There is more to do here in Washington. I'm pleased that the House of Representatives and the Senate both have now passed energy bills. It's time for them to reconcile

their differences, when they get back from their August breaks, and get a bill to my desk.

We need tort reform in America so that our entrepreneurs are more likely to focus on capital formation than lawsuits, frivolous lawsuits. We need to make sure we get a Medicare bill passed; that's going to be helpful for workers today to help plan for their future, to know there's a modern Medicare system.

I appreciate the fact that the Congress has passed trade agreements with Singapore and Chile, which means there will be more markets available for American entrepreneurs and farmers and ranchers. The more places for us to sell products, the more likely it is somebody is going to be able to find a job.

And so even though there's been some progress made in terms of numbers, this administration focuses on lives. And when there are people looking for work and they can't find a job, it means we're going to continue to try to put progrowth, expansive policies in place.

So I want to thank the Cabinet members who are focusing on these—this very important part of our agenda, and I appreciate your upbeat report.

Let me—I'll answer a couple of questions. Tom [Tom Raum, Associated Press] and Patsy [Patricia Wilson, Reuters]. Tom and Patsy will be asking questions this morning, and then you won't be asking questions. [Laughter]

National Economy

Q. Mr. President, are you surprised, and can you explain why 3 huge tax cuts and 12 rate cuts by the Fed have not done more in creating jobs to this point? And do you think that we're in a jobless recovery?

The President. I think—I think it's important to remember the history of the last couple of years. In March of 2000, the stock market began a precipitous decline. That was in March of 2000. And then the country went into a recession, which would be the first quarter of 2001, and we acted. We called the Congress together and passed a significant tax cut. Economic historians would say that the recession of 2001 was one of the more shallow recessions. Some would probably say, "Well, maybe you shouldn't have acted, and let the recession go deeper, which would have made—may have made for a more speedy recovery." Our attitude is that we're worried about people's lives; a deep recession would have meant more people would have been out of work. We want people to work in America; it's in our country's interest they do so.

Then as the economy kind of got going again, the enemy attacked us. September the 11th had a significant impact on our economy. And then we discovered some of our corporate CEOs forgot to tell the truth, and that affected confidence. And then, as you may remember, Tom, we had the steady drumbeat to war. As I mentioned in my press conference the other day, on our TV screens there was a—on

some TV screens—there was a constant reminder for the American people, "march to war." War is not a very pleasant subject in people's minds. It's not conducive for the investment of capital.

In spite of all those obstacles and because this administration has acted firmly, our economy is growing. And we're confident that over time, people will be able to find a job. But we're not going to rest, and there's more to do. We need an energy policy. We need tort reform. We need Congress to join with the administration to promote progrowth policies. But this economy is vibrant and strong, just like our country is vibrant and strong. We've overcome a lot, but there's more to do. And there's no question there's more to do. And we will do it.

Patsy.

North Korea

Q. Thank you, sir. Does your offer still stand for assistance to North Korea if they give up their nuclear program? And how can you deal with someone like Kim Chong-il, a man you don't trust?

The President. Yes. Thank you for bringing that question up, because we had some—what we think as positive developments. As you know, we were very concerned about trying to enter into a bilateral agreement with Kim Chong-il because of the fact that he didn't tell the truth to previous administrations. And so we took a new tack, and that was to work with our—with China, primarily China, initially, to engage China in the process so that there is more than one voice speaking to Mr. Kim Chong-il.

And thanks to the Chinese leadership—and we do applaud Hu Jintao and his administration for agreeing to be a responsible party in the neighborhood in which they live—it looks like we'll have a multinational forum. What that really means is that more than the United States and China will show up to have a meaningful discussion with Mr. Kim Chong-il. That means

Japan will be there. After all, Japan is an important part of the neighborhood. South Korea will be there. They've had a vested interest in having discussions and dialogs with Kim Chong-il. And Russia has agreed to join, which means there are now five nations in North Korea sitting at a table, all aimed at convincing—the discussions will be all aimed at convincing Mr. Kim Chong-il to change his attitude about nuclear weaponry.

In the past, it was the lone voice of the United States speaking clearly about this. Now we'll have other parties who have got a vested interest in peace on the Korean Peninsula. And so I would say the progress is being—is good progress. And we're upbeat about the fact that others are assuming responsibility for peace besides the United States of America. And we'll see how the

dialog goes. We fully understand the past. We are hopeful, however, that Mr. Kim Chong-il, because he's hearing other voices, will make the decision to totally dismantle his nuclear weapons program, that he will allow there to be complete transparency and verifiability. And we're optimistic that that can happen.

Listen, thank you all for coming. For those of you in Crawford, I will see you—going to Crawford, I will see you soon. As you can tell, I got my summer buzz. *[Laughter]* I'm ready to get down there and enjoy the weather.

NOTE: The President spoke at 11:20 a.m. in the Cabinet Room at the White House. In his remarks, he referred to Chairman Kim Chong-il of North Korea; and President Hu Jintao of China.

Statement on Senate Action To Block Votes on Judicial Nominations *August 1, 2003*

This week, a minority of Senators continued to filibuster highly qualified judicial nominees who enjoy the support of a majority of Senators. These obstructionist tactics are unprecedented, unfair, and unfaithful to the Senate's constitutional responsibility to vote on judicial nominees.

These highly qualified nominees have stellar records that represent the mainstream of American law and values and strong bipartisan support from those who know them best. Instead of allowing an up-or-down vote, a minority of Senators have been filibustering Miguel Estrada for nearly 5 months and Priscilla Owen for 3 months and are now obstructing the nomination of Bill Pryor. The failure to hold votes on these nominations not only is inconsistent with the Senate's constitutional responsibility but also has caused extended judicial

vacancies that are harmful to the American judicial system.

Every judicial nominee should receive an up-or-down vote in the full Senate, no matter who is President or which party controls the Senate. It is time to move past the partisan politics of the past and do what is right for the American legal system and the American people. Let each Senator vote how he or she thinks best, but give the nominees a vote.

NOTE: The statement referred to Miguel A. Estrada, nominee to be U.S. Circuit Judge for the District of Columbia Circuit; Priscilla Owen, nominee to be U.S. Circuit Judge for the Fifth Circuit; and William H. Pryor, Jr., nominee to be U.S. Circuit Judge for the Eleventh Circuit.